What? You Want Action from Our State Legislature in 2016? Sorry.

Olympia Is Deeply Dysfunctional and Lawmakers Are Likely to Punt on All the Big Stuff by John Stang

The Stranger



It's probably best to think of our state legislature as a "Mini Me" version of Congress's gridlock in Washington, DC.

Ever since the Republicans took over the Washington State Senate in 2013, Olympia has seen three years of hyper-partisan deadlock that has stymied most of the Democrats' legislative agenda.

Low-carbon vehicle fuels: killed. Trimming carbon emissions for polluters: stalled for two years. Raising the state's minimum wage: blocked for two years. Fixing our underfunded and understaffed public schools: a very slow slog. Getting our state leaders out from under the state supreme court's "contempt" finding for said underfunding of our public schools: hasn't happened for three years and counting. Eliminating tax breaks: mostly failure. Global warming: tough luck if you think that's a threat.

Simply put, the Democrat-controlled house and the Republican-dominated senate just don't get along. Instead, they spend most of their time killing each other's pet bills and packages over and over. Expect more of the same in the 60-day session that begins on January 11.

Republicans don't have much in the way of major bills they want passed, anyway. Their agenda focuses on preserving tax breaks and fighting against tax increases.

Democrats, including Governor Jay Inslee, want to pass several items but lack leverage over the senate Republicans.

This is obviously a bad thing if you're a Seattle liberal. And it gets worse: Incumbent politicians cannot raise money for their reelection campaigns while the legislature is in session, which means that in 2016—which is a huge national and local election year—the passion just won't be there for going into legislative overtime (as the legislature has done in six out of eight recent years in the form of "special sessions").

In other words, unless something appears easy, no one's gonna go to the mat on anything controversial. And to repeat: Nothing is easy in Olympia.

That said, here are the big issues to cross your fingers and hope for action on in 2016.

FINDING MONEY FOR SCHOOLS: The legislature *might* come up with a timetable for when to tackle the education funding shortfalls called out by the Washington State Supreme Court in its 2012 *McCleary* decision. But figuring out how to actually pay for more teachers and classrooms will probably remain in limbo until 2017. The question is whether the state will keep racking up \$100,000-a-day fines from the court for fiddling endlessly on this matter.

If you're asking, "What's *McCleary*?" the quick answer is that it's a state supreme court ruling that found our state leaders failing to meet their constitutional obligations to fully fund basic education. So far, the legislature has dragged its feet on fixing its *McCleary* shortfalls—so much so that the high court is now fining the state \$100,000 a day until it complies.

Basically, Republicans oppose closing tax breaks and levying new taxes for the *McCleary* obligations, saying existing revenue sources are sufficient. Democrats argue the exact opposite. For the past few months, a bipartisan group of senators and representatives has tried to come up with a solid plan for finding the money. They're currently recommending we overhaul the state's property tax system and then shift the bulk of the burden for paying teachers' salaries from local school districts to the state. (Right now, more than 290 individual school districts levy property taxes at 290 different rates to fund education.)

An extra \$3.5 billion will be needed from 2018 to 2022 to pay for the extra teachers, classrooms, and other improvements required by *McCleary*. That means a revenue plan needs to be nailed down no later than the 2017 legislative session. But the proposed property tax shift to the state picked up mostly negative reviews in seven legislative town hall meetings that the bipartisan group held across the state, said Senator Christine Rolfes (D-Bainbridge Island), a member of that task force. That's because roughly 290 school districts with roughly 290 different property tax rates translates into 290 different scenarios for what would happen if things change. This makes the proposal overly complicated and politically unfeasible.

Inslee and Rolfes said the legislature will concentrate in 2016 on mapping out a timetable for implementing the state's remaining *McCleary* obligations, leaving the actual identifying of funding sources to 2017. The attorney general's office believes setting a timetable in the 2016 session should put the daily \$100,000 supreme court *McCleary* fines on hold. Meanwhile, Inslee wants to set aside \$16.4 million in 2016 to pay those daily \$100,000 fines.

Bottom line: The serious *McCleary* work will be put off until 2017 with no guarantee that either side will change positions then.

RAISING THE STATE'S MINIMUM WAGE: This could end up as a legislative stare-off that leads to a statewide public vote on the issue in November.

In the 2015 session, Senator Mike Baumgartner (R-Spokane) stopped a minimum-wage-hike bill by Representative Jessyn Farrell (D-Seattle) from leaving the Senate Commerce & Labor Committee, which Baumgartner chairs. Farrell's bill calls for raising Washington's statewide minimum wage from the current \$9.47 an hour to \$12 an hour over four years. Seattle, SeaTac, and recently Spokane and Tacoma have raised their minimum wage above the statewide level—creating a hodgepodge of different minimum wages across Washington. Baumgartner also blocked a mandatory sick leave measure in 2015, as well as a bill to ensure gender pay equality.

The house is expected to send all three bills back to the senate in the upcoming session, and the political dynamics could be changing on Farrell's minimum wage bill. Nick Hanauer, the self-described "zillionaire" from Seattle, has threatened to push an initiative next November to raise the state minimum wage to \$16 an hour. That has some business interests and conservatives wondering whether they would prefer a smaller statewide minimum wage be haggled out by all parties in the legislature, where nuances can be addressed, rather than via the blunt-force instrument of an initiative that allows no tweaking of ballot language once it's set. (For example, the conservative Washington Restaurant Association recently changed its opposition to an increased state minimum wage and is now supporting such a bill.)

Bottom line: Legislative action on this issue will depend on what various power brokers think about the likelihood of Hanauer getting a \$16-an-hour initiative passed next November.

INSLEE'S FIGHT AGAINST CARBON EMISSIONS: For the past two sessions, Republicans and a few Democrats have stopped Governor Inslee's efforts to put a carbon tax on the state's biggest polluters—and thereby thwarted Inslee's idea of routing carbon tax revenue to schools, transportation, and tax relief for the poor. This is Inslee's pet issue, and the GOP has enjoyed frustrating him on it. Inslee says he still wants a carbon tax, but this session might be the first time he'll put combating carbon emissions on a back burner in the legislature.

That's because last summer, Inslee chose to bypass the legislature and ordered the Washington State Department of Ecology to come up with a plan to regulate the carbon emissions of the state's 31 biggest air polluters. He contends he has the authority to do this under the Washington Clean Air Act and a 2008 state law that sets a goal of reducing the state's greenhouse emissions to 1990 levels by 2020 (with further trimming later). A draft plan was due by the end of 2015. Public feedback is scheduled for 2016 with adoption of a final plan tentatively expected next summer.

Republican lawmakers are gnashing their teeth over this approach, and there are rumblings about them trying to find a legal way to stop that process.

Meanwhile, two competing carbon emissions cap initiatives are in the works, both of them aiming for a November 2016 public vote. One is Carbon Washington's Initiative 732, which would charge polluters for carbon emissions, with that revenue used to cut the state sales tax. Another is the yet-to-be-detailed initiative by the Alliance for Jobs and Clean Energy. It's expected to also call for a carbon tax, but would route the money to other state programs such as schools.

Bottom line: There is a good chance that carbon emissions will be trimmed in Washington this year. There is an equally good chance that the legislature won't be involved.

INCREASING TEACHERS' SALARIES: Governor Inslee wants to increase the state's minimum annual salary for rookie teachers from \$35,700 to \$40,000, plus give all teachers a 1 percent pay raise. This is expected to cost an extra \$80 million in the 2016–2017 fiscal year, plus an extra \$100 million each subsequent year.

To pay for that, Inslee proposes to close four tax breaks totaling \$101 million in fiscal 2016–2017. The proposed closures target oil refineries, the exemption from sales taxes for people from out of state, an exemption for bottled water, and exemptions for certain applications of the real-estate excise tax. Inslee and the Democrats have tried unsuccessfully for years to get the senate Republican leaders—several of whom are the largest recipients of oil industry campaign donations—to agree to close these same exemptions. This time around, Inslee is arguing: "Teaching a kid algebra is much more important than an oil industry tax break." Good luck.

Bottom line: Democrats don't appear to have the bargaining chips to convince the Republicans to budge from their keep-tax-breaks-intact posture, so don't expect much action on this.

All in all, we're looking at a lot of sound and fury that signifies nothing during the 2016 legislative session. Don't like it? Get to work on electing different people to the state legislature, or make sure you're registered and ready to vote on the multiple fall ballot

measures that will let you do the legislature's job yourself. Or, even better: Do both things at once! \bigstar